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MAR 12 2001

DIVISION OF
OIL, GAS AND MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I. General Information

1. Report Time Period: From (mo./yr.) 01/2000 To (mo./yr.) 01/2001
2. DOGM File Number (Mine No): M 13701040
3. Mine Name: Velvet
4. Mineral(s) Mined (or permitted to mine): Uranium and Vanadium
5. Type of mine ☐ Surface Mine or ☒ Underground Mine
6. Legal Description (Location of Lands Affected):
____ 1/4, ____ 1/4, ____ 1/4, Section 3, Township 31S, Range 2SE
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
____ 1/4, ____ 1/4, ____ 1/4, Section _____, Township _____, Range _____
7. Name of Operator or Company: U.S. Energy Corp.
8. Permanent Street Address: 877 North 8th West
City, State, Zip: Riverton, WY 82501
Phone: (307) 856-9271 Fax: (307) 856-1760
9. Company Representative (or designated operator):
Name: Daniel Ariana
Title: Environmental Coordinator
Business Address: 877 North 8th West
City, State, Zip: Riverton, WY 82501
Phone: (307) 856-9271 Fax: (307) 856-1760
☐ Please check if any of the above information has changed since previous year.

II. Mining and Reclamation

1. Was there any mine related activity during the past year? Yes ☐ No ☒
2. If no - what was the last year of activity? 1984
3. If yes - how much ore or mineral was mined? _____

4. Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.

5. How much **additional acreage** was disturbed during the past year? 0

6. How much acreage was **reclaimed** during the past year? None

7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results.

8. What is the **total** disturbed acreage of entire project at years end? 21.9

9. Briefly summarize any mining and/or reclamation plans for the upcoming year.

There are no plans for any mining during the upcoming year. Negotiations are underway with the Water Quality Division in regards to slope reduction of the existing spoils pile and (See back for more)

NOTE: Section III., "Additional Information" applies only to **large mining operations**.

III. Additional Information - R647-4-121.2 and .3

1. The operator shall include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.
2. The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print):

Title of Operator:

Signature of Operator:

Date:

revegetation as part of the Stormwater Discharge Permit. All final plans shall be submitted to the Division of Oil, Gas and Mining for subsequent approval prior to any construction. The treatment plant will remain on a care and maintenance status.



U. S. ENERGY / CRESTED CORP.

877 North 8th West

(307) 856-9271

Riverton, Wyoming 82501

March 8, 2001

Mr. D. Wayne Hedberg
Permit Supervisor
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-5801

Re: Annual Report for the year 2000.


Dear Mr. Hedberg:

Please find enclosed the completed annual report for the Velvet Mine No. M370040.

I apologize for it tardiness and regret any inconveniences that the tardiness may have caused.

Please contact me if you have questions regard the submittal.

Yours truly,
U.S. Energy/Crested Corp.


Daniel Arima
Environmental Coordinator

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FAX (307) 857-3050

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